GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:2109
ANSWERED ON:12.12.2008
TRANSMISSION AND DISTRIBUTION OF POWER
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Will the Minister of POWER be pleased to state:

(a) whether the privatization of transmission and distribution of power in various States has helped in saving of power during the last three years and the current year;

(b) if so, the details thereof, State-wise;

(c) whether the Union Government provides assistance to State Power Utilities to bring down the transmission and distribution losses in the country;

(d) if so, the details thereof;

(e) whether the above assistance to State Power Utilities is performance based; and

(f) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE & INDUSTRY AND MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI JAIRAM RAMESH)

(a) & (b) : The privatization of distribution of power has taken place in the NCT of Delhi and Orissa.

The information as furnished by the Government of NCT of Delhi about the Aggregate Technical and Commercial (AT&C) Loss levels of the Distribution Companies (DISCOMs) after privatization of distribution of power is as under:-

State	Opening loss levels	AT&C Loss (%) 2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Delhi							
BSES Yamuna Power Ltd	57.2	Target	56.45	54.70	50.70	44.65	39.95 -
		Achievement	61.89	54.29	50.12	43.88	39.03 29.08
BSES Rajdhani Power Ltd	48.1	Target	47.55	46.00	42.70	36.70	39.10 -
		Achievement	47.40	45.06	40.64	35.53	29.92 27.17
North Delhi Power Ltd	48.1	Target	47.60	45.35	40.85	35.35	31.10 -
		Achievement	47.70	44.86	33.79	26.52	23.54 18.77

The information as furnished by the Government of Orissa about the distribution loss levels (%) of the Distribution Companies (DISCOMs) is as under:-

DISCOM	OERC# approval	2005-06 Actual	OERC approval	2006-07 Actual	OERC approval	2007-08 Actual	OERC approval	2008-09 Actual upto June2008
Central Electric Supply	36.0	42.9	33.0	43.5	29.3	41.5	29.3	39.0

Company

Northern
Electric
Supply 35.0 37.1 31.5 33.2 26.0 31.0 25.5 31.4
Company

Western
Electric
Supply 31.0 37.8 33.7 36.4 25.0 36.1 25.0 32.8
Company

Southern
Electric
Supply 36.0 41.1 33.0 43.4 30.4 45.4 30.4 45.4
Company

#OERC − Orissa Electricity Regulatory Commission

(c) to (f) : Government had launched Accelerated Power Development and Reforms Programme (APDRP) in the year 2002-03 with the objective of encouraging reforms and of reduction in Aggregate Technical and Commercial (AT&C) loss, improving quality of supply of power and improving consumer satisfaction. The target was to reduce AT&C losses to 15% in five years in urban and high density consumption areas, to begin with. Government of India had sanctioned 571 projects amounting to Rs. 17033.58 crore under the investment component for strengthening and up-gradation of sub-transmission and distribution systems of the States. The States have so far utilized Rs. 12159.86 crores. An amount of Rs. 2879.73 crore has also been released to nine states for achieving reduction in cash losses under the incentive component of the programme.

The Government have approved the continuation of Accelerated Power Development and Reforms Programme (APDRP) during the XI Five Year Plan with revised terms and conditions as a Central Sector Scheme. The focus of the programme is on actual, demonstrable performance in terms of loss reduction. Establishment of reliable and automated systems for sustained collection of accurate base line data, and the adoption of Information Technology in the areas of energy accounting are the necessary pre-conditions before sanctioning any projects for strengthening & up-gradation of sub-transmission and distribution networks. Projects under the scheme are to be taken up in Two Parts. Part-A is to include the projects for establishment of baseline data and IT applications for energy accounting / auditing & IT based consumer service centers. Establishment of Supervisory Control and Data Acquisition System (SCADA) can also be taken up in the project areas with population more than 4 lacs and annual input energy of the order of 350 MU. Part-B includes regular distribution strengthening projects. Initially, funds for the projects under both the parts will be provided through loan (100% for Part-A and 25% for part-B, balance to be raised by state utilities through Financial Institutions, except special category and North-Eastern states, for which under Part- B, 90% loan will be provided) which will be converted into grant on fulfillment of conversion conditionalities, namely:

(i) the entire amount of loan for part-A projects is to be converted into grant once the establishment of the required baseline data system is achieved and verified by an independent agency appointed by Ministry of Power.

(ii) Upto 50% of loan for part-B projects can be converted into grant (proportionate to achievement of targets) on achieving 15% AT&C loss levels on project areas for a sustained period of 5 years. In addition, utility level loss reduction (AT&C losses) @ 3% per annum for utilities with baseline loss levels exceeding 30% and @ 1.5% for utilities with baseline loss levels less than 30% have to be achieved.

Presently the restructured APDRP for XI Plan does not cover private distribution utilities.